

Message Text

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15

ACTION ARA-10

INFO OCT-01 ISO-00 AID-20 CIAE-00 COME-00 EB-07 INR-07

LAB-04 NSAE-00 SIL-01 OMB-01 TRSE-00 L-02 ABF-01

IGA-01 /055 W

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R 251940Z APR 75

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 0952

LIMITED OFFICIAL USE BUENOS AIRES 2903

E. O. 11652: N/A

TAGS: EFIN, AR

SUBJECT: CONVERSION OF PESOS TO DOLLARS

REF: STATE 074217

1. EMBASSY HAS REVIEWED SITUATION NOTED REFTEL WITH
VIEW FACILITATING CONVERSION FOR CONTRACTOR.

2. WE NOT ABLE ASSURE OURSELVES USE OF EMBASSY
ACCOMODATION EXCHANGE FOR CONVERSION WOULD NOT
VIOLATE ARGENTINE LAW. IN FACT, WE DOUBT IT
CONSISTENT WITH OUR OWN REGULATIONS UNLESS DOLLARS
ENTERED ARGENTINA THROUGH ACCOMODATION EXCHANGE
(SEE 4FAM 362.1A(1) AND 4FAM 365.1).

3. AS ALTERNATIVE, SUGGEST AIFLD MIGHT DEPOSIT
PESOS DURECTLY TO TREASURY REGIONAL DISBURSING
ACCOUNT IN BANK OF AMERICA WITH DOLLAR SETTLEMENT
MADE WASHINGTON AT APPROPRIATE RATE. THIS WOULD
AVOID EMBASSY INTERMEDIATION, AND WE BELIEVE IT
WOULD NOT BREAK ANY ARGENTINE LAW SINCE NEITHER PARTY
IS ARGENTINE RESIDENT.

4. THERE ARE SEVERAL OTHER POSSIBILITIES WE BELIEVE
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AIFLD MAY WISH CONSIDER. IF AIFLD CAN DOCUMENT THAT

DOLLARS ENTERED COUNTRY LEGALLY AT OFFICIAL EXCHANGE RATE, BANK OF AMERICA ITSELF COULD MAKE CONVERSION THROUGH CENTRAL BANK. AS AN ALTERNATIVE, AIFLD COULD USE PESOS TO PURCHASE DOLLAR DENOMINATED EXTERNAL BONDS AND THEN SELL BONDS FOR DOLLARS. THIS IS SIMPLE, LEGAL AND WIDELY USED METHOD TRANSMITTING FUNDS ABROAD; DISADVANTAGE IS THAT AIFLD WOULD HAVE TO PAY PARALLEL RATE. AIFLD COULD TAKE PESOS OUT OF COUNTRY FOR CONVERSION ABROAD BUT THIS OPERATION LEGALLY IN GREY AREA ACCORDING OUR BANK CONTACTS.

5. EMBASSY HOPES ABOVE HELPFUL.
HILL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, CONVERTIBLE FOREIGN EXCHANGE
Control Number: n/a
Copy: SINGLE
Draft Date: 25 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: woolflhd
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BUENOS02903
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750146-0983
From: BUENOS AIRES
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750414/aaaaamiv.tel
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Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: 75 STATE 074217
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Review Comment: n/a
Review Content Flags:
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Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
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Review Release Date: n/a
Review Release Event: n/a
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Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CONVERSION OF PESOS TO DOLLARS
TAGS: EFIN, AR, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006